



WICHITA STATE  
UNIVERSITY



## **PUBLIC POLICY & MANAGEMENT CENTER**

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# **Balancing Financial Obligations & Growth**

Influencing Factors for the City of Maize  
February 2025

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## Acknowledgments

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Leadership team members included:

- Pat Stivers, *Mayor*
- Nick Gregory, *City Manager*
- Joe Dessenberger, *Deputy City Manager*
- Tristin Terhune, *Assistant City Manager*
- Kelly Stephens, *City Treasurer/Finance Officer*



## Disclaimer

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This study was conducted by the PPMC at Wichita State University. The PPMC is an independent research body unaffiliated with the City of Maize. This report was prepared by the research team and data collected from external sources. PPMC's findings are based on assumption of data accuracy received from internal and external sources. The report represents the findings, views, opinions, and conclusions of the research team alone. The report does not express the official or unofficial policy of Wichita State University.

# Background & Introduction

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Like all municipalities, the City of Maize faces the challenge of balancing financial obligations with the need to support and sustain growth. Both as a City and an organization, Maize has grown in recent years. This report is one component of an ongoing strategic planning process.

Simultaneously, the City is considering proposing a sales tax to diversify revenue sources. With the purpose of exploring how the City's financial obligations and revenue sources influence Maize's ability to achieve a balance between existing financial obligations and growth, this report aligns with both efforts.

The report aggregates the following information:

- Largest Employers & Taxpayers
- Assessed Valuation
- Mill Levy Comparison
- City Sales Tax and Water Fees
- Debt Obligations

Taken together, this information provides a comprehensive understanding of the key factors influencing the City's financial health and growth potential.

## **Data Collection**

The project's leadership team provided all of the Maize data informing this report. Data about peer communities was gathered from public county and city websites.

# Largest Employers & Taxpayers

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The largest employers and taxpayers are key contributors to the City's economy and tax revenue.

## **Largest Employers in Maize**

By far, the largest employer is the school district, USD 266, with 501-1,000 employees ([LinkedIn](#)). The next five largest employers in Maize are in the manufacturing industry, some of which were provided with property tax incentives to locate in Maize. These employers with their approximate current employees are as follows:

### Employers Paying Property Taxes

- Worthington Industries (140 employees)
- Vollrath Company (50 employees)

### Employers with Property Tax Abatements

- Reiloy USA ([68 employees](#))
- Kyodo Yushi ([35 employees](#))
- Charlotte Pipe and Foundry (opening 2025 with projected employment of [50 employees](#))

It is notable that three of the largest six employers are not yet paying property taxes because they are in a temporary abatement period. Reiloy USA has two series of Taxable Industrial Revenue Bonds. When the first series is paid, the property will start incurring an obligation to pay property taxes at the end of 2030. The second series is scheduled to come on the City's tax roll in January 2026. Kyodo Yushi will start incurring taxes in 2028, and Charlotte Pipe and Foundry in 2035.

## **Largest Property Taxpayers in Maize**

Maize generates most of its property tax income from residential uses, with five of the top 10 taxpayers being apartment and single/multifamily home developments. Two taxpayers are manufacturing companies, two are energy companies, and the final is a financial institution.

Table 1. Largest Property Taxpayers in Maize (2023)

<b>Taxpayer</b>	<b>Assessed Valuation</b>	<b>City Taxes Levied</b>
Watercress Apartments LLC	\$2,949,210	\$126,757
Edward Rose Development Co LLC	\$2,900,829	\$124,678
Everygy Kansas South LLC	\$1,652,216	\$71,012
HL Villas Investment Group LLC	\$1,283,864	\$55,181
Heartland Credit Union	\$1,107,103	\$47,583
J & K Investments of Wichita LLC	\$843,800	\$36,267
Carlson Products LLC	\$743,732	\$31,965
Black Hills Corporation	\$712,079	\$30,605
Worthington Cylinders Kansas LLC	\$647,500	\$27,830
Fieldstone Apartments Phase II/III LP	\$627,534	\$26,971

## **Assessed Valuation**

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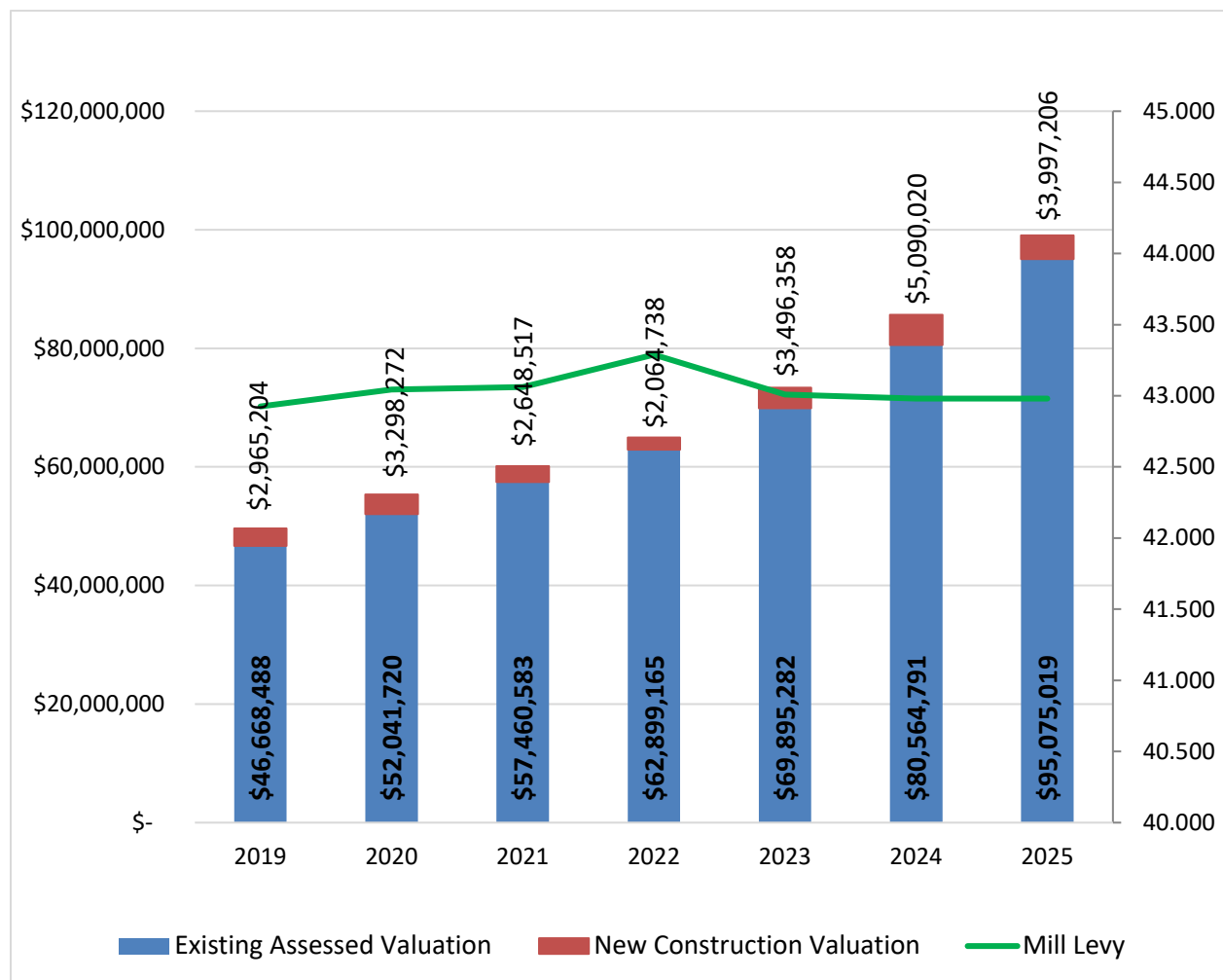
Revenues from property taxes are a primary revenue source for the City. Properties are assessed by the County appraiser using state guidance to determine a taxable value. Factors considered include the property's size, location, condition, comparable properties, and market conditions. Assessed valuation data represents the tax base and thus is an indication of the community's growth over time and its ability to raise revenue from property taxation. It reflects the economic health and growth potential of the City.

## Valuation Trends

Annual changes in assessed valuation from 2019 to 2025 can be seen in Figure 1.

From 2019 to 2024, the average annual growth was 12.2 percent. By comparison, the average annual growth from 2014 to 2019 was 10.2 percent. This trend shows the City's tax base is expanding at an increasing rate, which directly affects the City's ability to rely on revenue from its growing property tax base. Figure 1 shows both growth from new construction and steady growth in market values of existing structures.

Figure 1. City of Maize Assessed Valuation Growth (2019-2025)



## Mill Levy Comparison

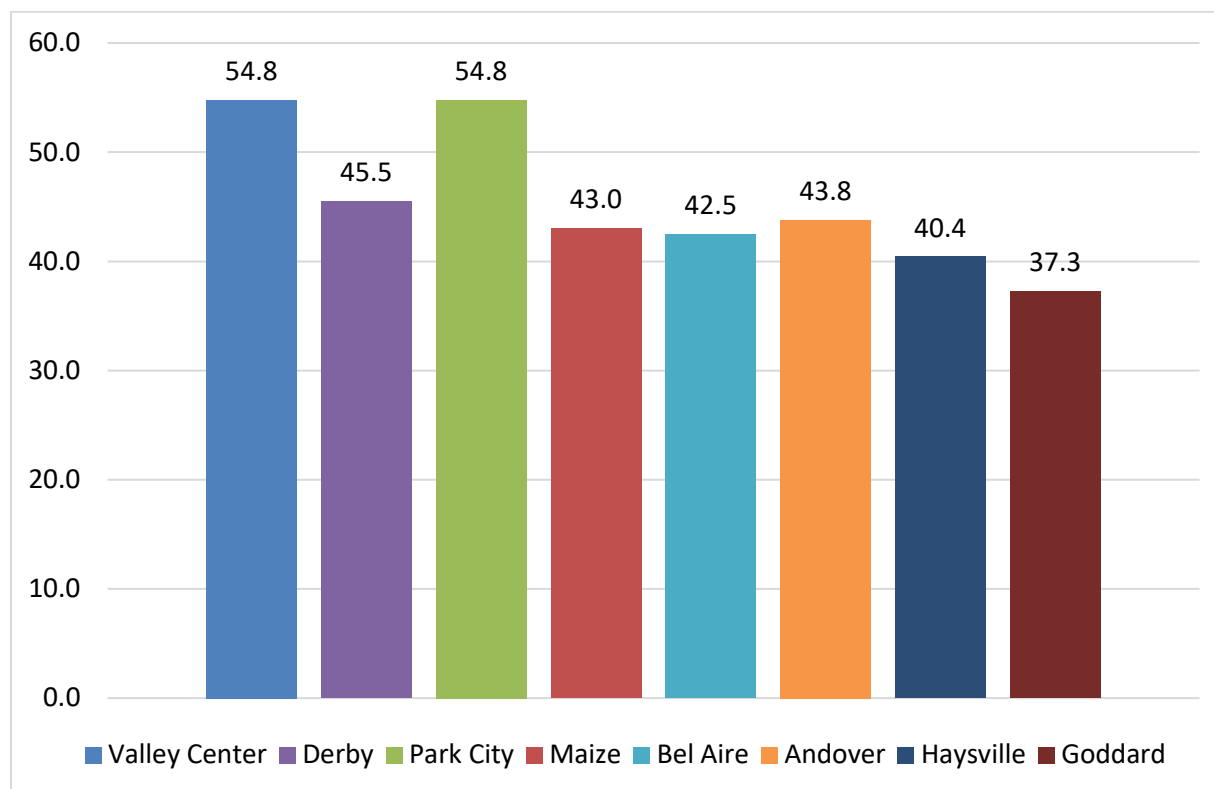
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A mill levy is the rate of taxation applied to the assessed value of the property. One mill is equal to \$1 per \$1000 of assessed value. The following section compares Maize's rate of taxation to seven cities in the Wichita metro area, all of which are growing suburbs and, in many ways, can be considered peer cities. Mill levy comparisons provide additional context about the City's tax burden relative to other communities.

### City Mill Levy

Among the eight cities in Figure 3, Maize has the fourth highest city mill levy at 43.008 mills. At the rate of 43.008, total revenue is \$4,258,124. Revenue is split between the general fund (92 percent) and debt service (8 percent). The 92 percent levied for the general fund comprises 25.7 percent of the City's total budgeted revenue for 2025.

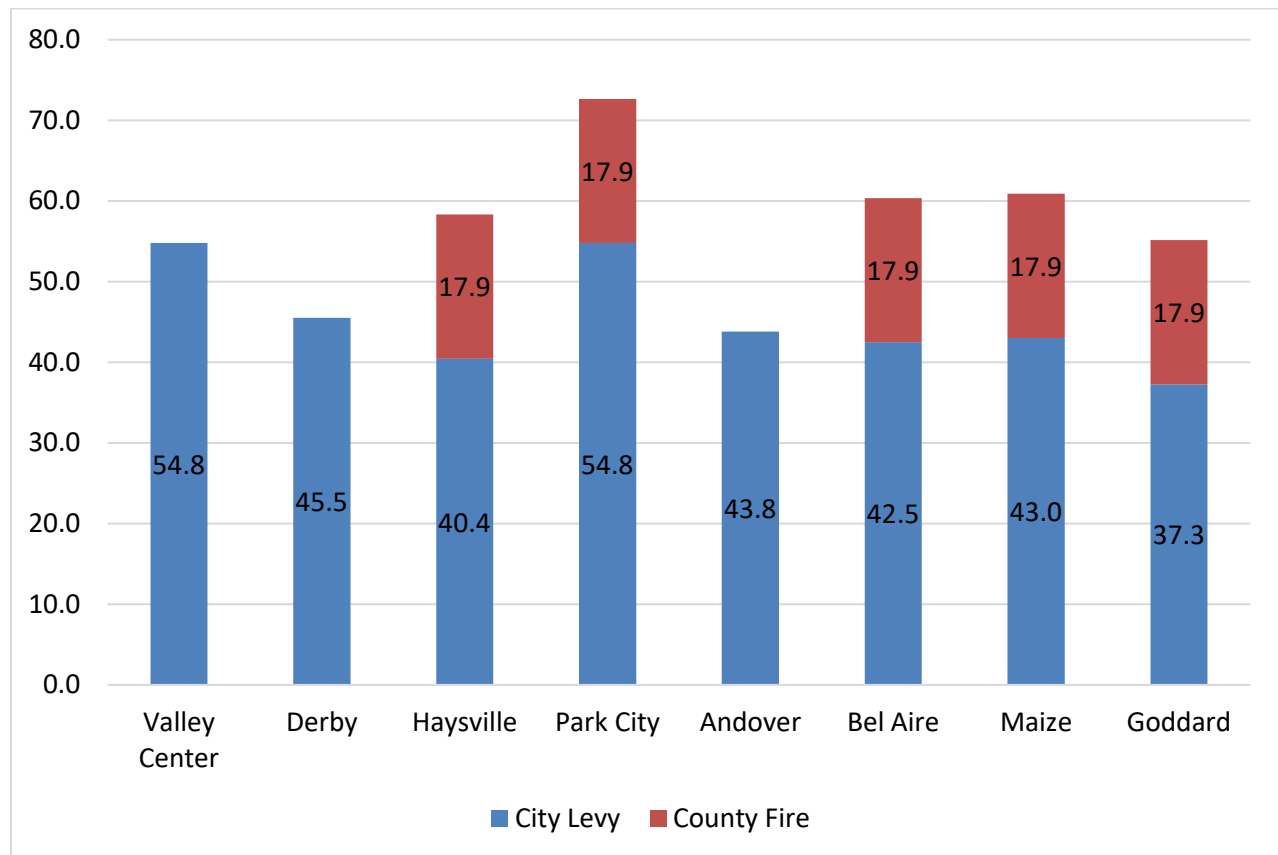
Figure 2. Regional Comparison of City Mill Levies (2024)



### **Another Perspective**

Maize is one of five of the eight peer cities that does not provide a fire service to residents. Instead, fire protection services are provided by Sedgwick County Fire District #1. The County Fire District charges 17.9 mills to residents of Maize, along with Haysville, Park City, Bel Aire, and Goddard. Figure 3 shows the same city levies as Figure 2 and adds the levies for fire protection to more accurately show the comparative tax burdens for basic municipal services among the peer cities. As indicated, Maize property owners have the third highest property tax burden among peer cities.

Figure 3. Regional Comparison of City Mill Levies with County Fire Service (2024)

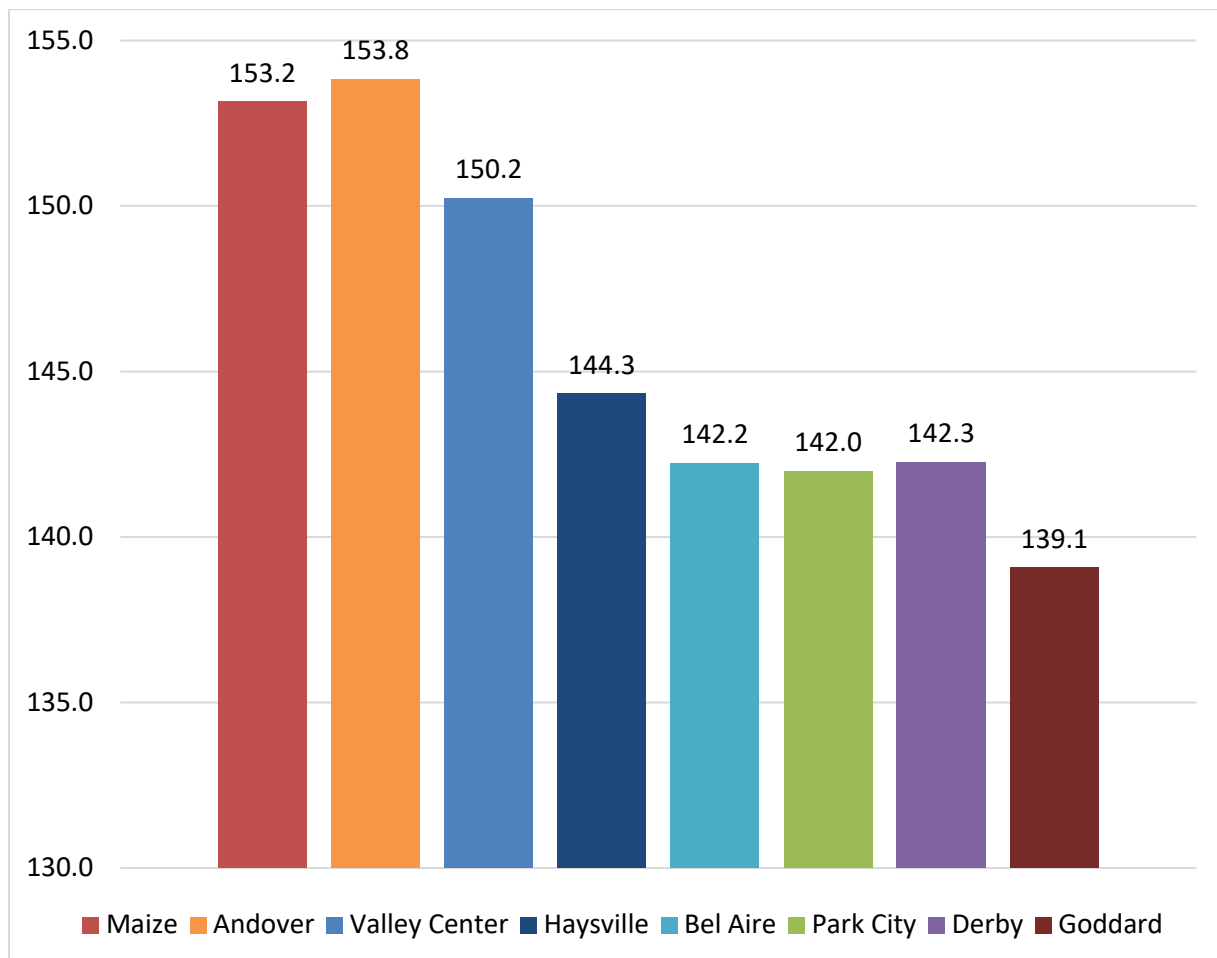


## **Total Mill Levy**

Figure 4 shows total mill levies for all eight cities. The total levy is what each property owner sees on their tax bill every November, which makes it an important comparison. Once all mill levies are factored in, properties in Maize have the second highest rate among peer cities. Other levies are for:

- USD 266 School District
- Sedgwick County
- Sedgwick County Fire District #1
- State of Kansas
- South Central Library System
- Maize Recreation Commission USD 266
- Maize Cemetery District

Figure 4. Regional Comparison of Total Mill Levies (2024)



# City Sales Tax and Water Fees

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While property taxes are a significant component of city revenues, a city sales tax as well as fees for municipal water utilities also play an important role in diversifying and sustaining a city's revenue streams.

## **Sales Tax**

Among the eight peer communities, only Maize and Bel Aire do not have their own sales tax, as indicated in Table 2. In the six cities whose residents have voted to implement a city sales tax, the uses of these sales tax revenues vary from operational expenses like street maintenance to construction of specific municipal facilities like parks and fire stations.

Table 2. Regional Comparison of City Sales Tax Rates (2024)

	Sales Tax Rate
Andover	2.00%
Bel Aire	-
Derby*	0.50%
Goddard	1.00%
Haysville	1.00%
Maize	-
Park City	1.00%
Valley Center	1.00%

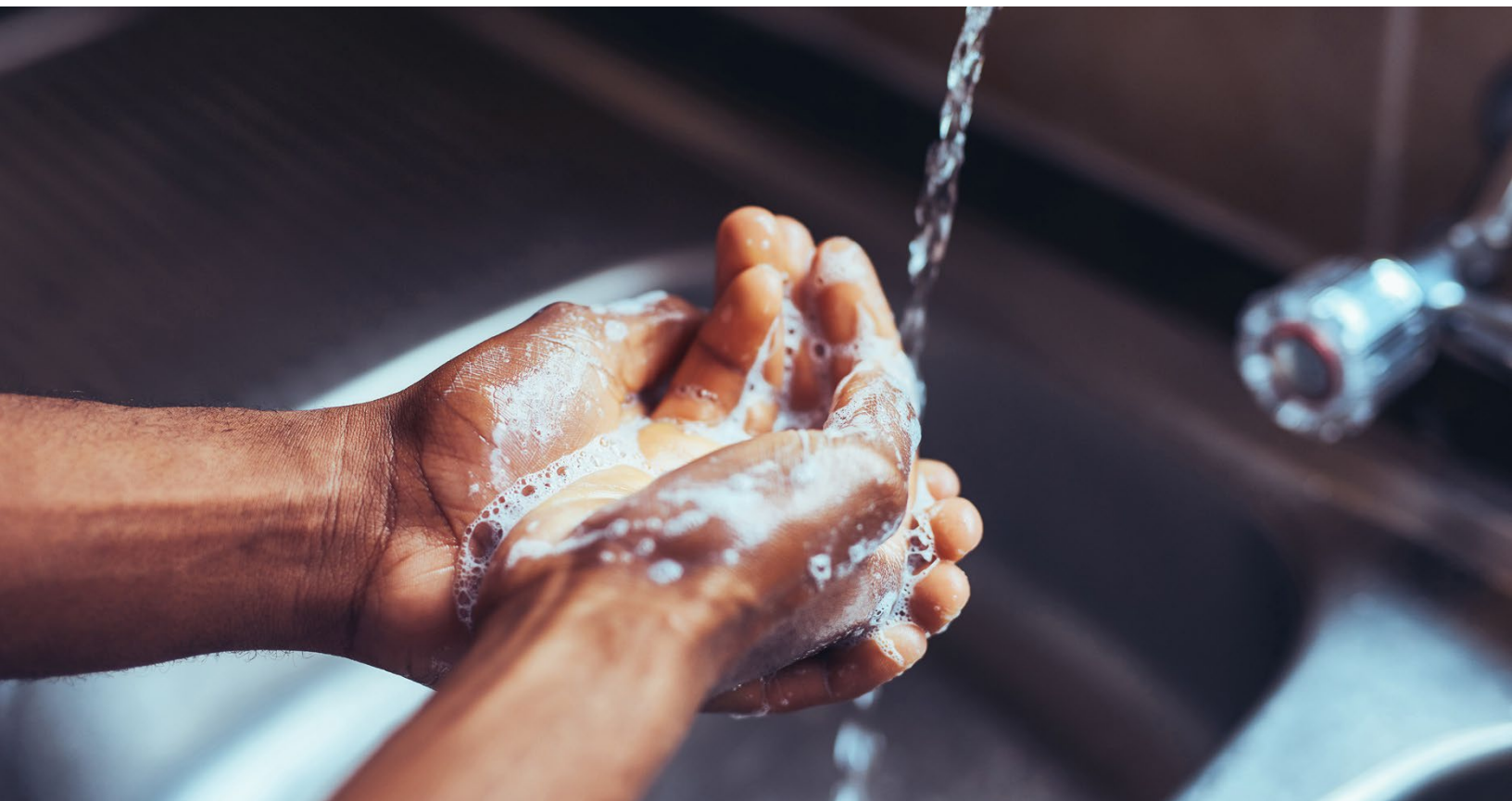
\*Derby's rate increase to 1.00% on January 1, 2025.

## **Water Fees**

While the monthly water bills in all comparison cities include fees for water and wastewater services, only the City of Maize's bill does not include a stormwater utility fee. Of the comparison cities, the City of Goddard most recently implemented a stormwater utility fee on October 1, 2024. Notably, other area cities including Wichita and Mulvane also have a stormwater utility fee (LGN Rates Survey, May 2024).

The purpose of a stormwater utility fee is to provide a dedicated source of funding for infrastructure and operational costs required to deal with drainage and stormwater runoff. Having a dedicated funding source is considered the best practice in terms of allocating the costs of stormwater services in the most equitable manner.

Generally, the more development of impervious surfaces (i.e., asphalt parking lots and concrete driveways) and construction of structures (i.e., homes and businesses), the greater the need for city officials to (1) construct and maintain retention ponds and an underground system of pipes and drains to collect and move stormwater runoff; (2) educate the public about preventing contamination of surface water with oil, antifreeze, pesticides, and other pollutants; and (3) prevent surface flooding and mitigate the risks of occasional flooding.



# Debt Obligations

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Understanding the City's existing financial commitments in terms of current debt load is essential for assessing the capacity to take on new projects or obligations while maintaining financial stability.

## **State Limit on Bonded Debt**

The State of Kansas limits the authorized and outstanding bonded indebtedness of any city to 30 percent of the assessed valuation of the city. Certain types of debt are not included in calculating the 30 percent, which can be found in KSA 10-308. These types include debt used for:

- Bonds issued by any city for the purpose of acquiring, enlarging, extending or improving any storm or sanitary sewer system
- Bonds issued by any city for the purpose of acquiring, enlarging, extending or improving any municipal utility
- Bonds issued by any city to pay the cost of improvements to intersections of streets and alleys or that portion of any street immediately in front of city or school district property

## **City Debt Policy**

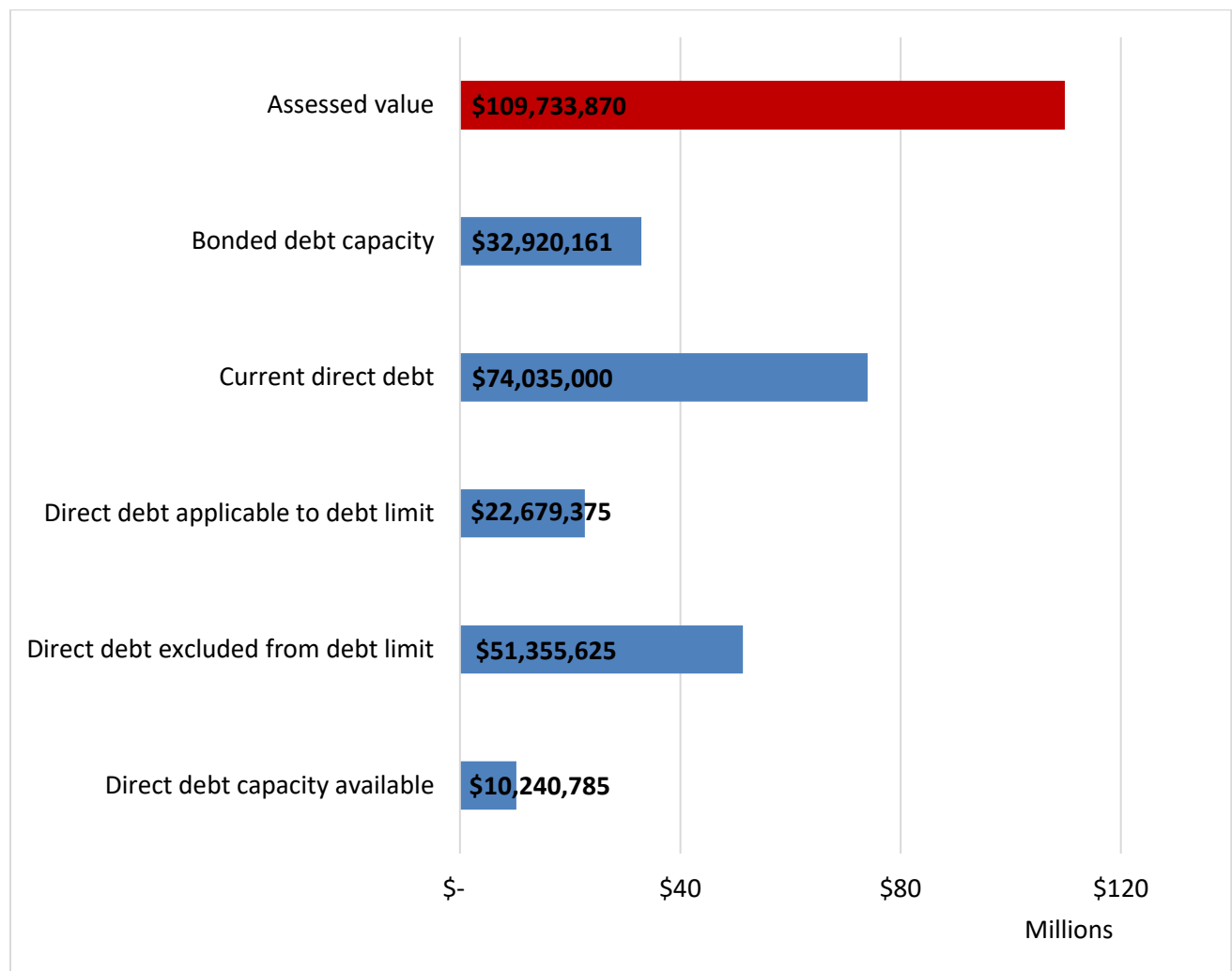
In addition to the state limit, Maize established its own debt policy in 2019 before the city began getting its bonds rated by a national bond rating agency. The city policy set as a benchmark that new debt incurred in any one fiscal year cannot exceed 60 percent of new growth in assessed valuation in the prior year.

While the policy still exists, it appears it is not necessarily considered as valuable a tool since the City now routinely uses bond ratings. City staff appear poised to examine whether the policy should be updated to ensure it provides a meaningful tool for the governing body to monitor its level of indebtedness.

## **City Debt Obligations**

As Figure 5 shows, in 2024, Maize had an assessed value of \$109,733,870<sup>1</sup>, allowing for a total capacity of \$32,920,161 of bonded debt. Even though the City currently holds \$74,035,000 of direct debt, only \$22,679,375 (30.6 percent) is applicable to the state debt limit. The remaining \$51,355,625 (69.4 percent) is excluded. This leaves \$10,240,785 in direct debt available to the City to finance new capital projects that would be included in the state's definition set forth in KSA 10-308.

Figure 5. City of Maize Debt Obligations (2024)



<sup>1</sup> This number includes motor vehicle valuation (\$10,661,645). The preliminary assessed tangible valuation for 2024 was \$99,072,225.

## **Overlapping Debt**

Maize also shares overlapping debt with Sedgwick County (\$604,233) and USD 266 (\$19,551,197). When this debt of the county and especially the school district are added to the city's debt and spread across properties within the city, the tax burden on those properties increases.

Overlapping debt in Maize totals \$20,155,430. Decision makers should be mindful of this total debt burden when making decisions about future debt issuance and consult their financial advisor for advice about acceptable levels of overlapping debt and when or if it should be a factor in their decision making.

## **Conclusion**

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This report highlights the importance of balancing the City's need for revenue with the existing tax burden on residents. When all levies are considered, Maize has the second highest total mill levy among comparable cities. This tax burden may affect the financial capacity of residents and their perception of the City's affordability.

At the same time, trends in the City's assessed valuation show consistent growth, indicating a healthy and expanding base. Still, the relatively high tax rate could potentially deter new residents and businesses moving to Maize, affecting long-term growth prospects.

Introducing a sales tax and a stormwater utility fee would help diversify the City's revenue sources, reduce reliance on property taxes, and potentially lower the mill levy. Given the existing tax burden, the City should be cautious in how it communicates the benefits and implications of a sales tax, specifically its potential use either to reduce the mill levy or offset increases to the mill levy.